

**Illinois Department of Revenue
Regulations**

Title 86 Part 130 Section 130.1915 Auctioneers and Agents
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**TITLE 86: REVENUE
PART 130
RETAILERS' OCCUPATION TAX**

Section 130.1915 Auctioneers and Agents

a) When Persons Act As Agent

- 1) Every auctioneer or agent, acting for an unknown or undisclosed principal, or entrusted with the possession of any bill of lading, custom house permit or warehouseman's receipt for delivery of any tangible personal property, or entrusted with the possession of any such personal property for the purpose of sale, is deemed to be the owner thereof, and upon the sale of such property to a purchaser for use or consumption, he is required to file a return of the receipts from the sale and to pay to the Department a tax measured by such receipts.
- 2) The receipts from any such sale, when made by an auctioneer or agent who is acting for a known or disclosed principal, are taxable to the principal, provided the principal is engaged in the business of selling such tangible personal property at retail. For a sale to qualify under this subsection (a)(2), the principal must be clearly disclosed to the purchasers by the auctioneer or agent so that the purchasers are able to determine who owns the goods that are being sold.
- 3) The same rule applies to lienors such as storagemen and pawnbrokers.

b) When Principal is Disclosed

For the purposes of this Section, a principal is deemed to be disclosed to a purchaser for use or consumption only when the name and address of such principal is made known to such purchaser at or before the time of the sale and when the name and address of the principal appears upon the books and records of the auctioneer or agent. A verbal announcement of the principals' names at the auction is not sufficient to document disclosure. Acceptable evidence of disclosure includes:

- 1) naming the principals and their addresses (city only is sufficient) in newspapers and other public advertising;
- 2) posting a written list of the principals' names and their addresses (city only is sufficient) at the auction site;
- 3) distributing sale bills or brochures that name the principals and their addresses (city only is sufficient);

- 4) recording the principals' names and their addresses (city only is sufficient) on legal documents regarding the item that is sold, such as automobile titles; or
- 5) other methods that provide a permanent, written record of the disclosure of the names and addresses (city only is sufficient) of the principals.

(Source: Amended at 24 Ill. Reg. 15104, effective October 2, 2000)